

KANSAS RACING AND GAMING COMMISSION

MINUTES – AUGUST 12, 2022

CALL TO ORDER
(A.)

Chairman David Moses called the August 12, 2022, meeting to order at 9:00 a.m. The meeting was held at the Eisenhower State Office Building in Topeka, Kansas. Notice of this meeting was given to the public via the KRGC and Public Square websites. Commissioners Brandon Jones, Larry Turnquist, Kelly Kultala, and Sheryl Spalding, who appeared by phone, were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Security Roger Bailey, Director of Sports Wagering Todd Allen, Director of IT&C-s Dennis Bachman, and other staff.

MOTION, APPROVE
AGENDA
(B.)

Commissioner Kultala (Spalding) moved to approve the agenda. Motion carried 5-0.

MOTION, APPROVE
July 22, 2022
MEETING MINUTES
(C.)

Commissioner Turnquist (Kultala) moved to approve the minutes of the July 22, 2022 meeting. Motion carried 5-0.

MOTION, APPROVE
CONSENT AGENDA
(D.)

Commissioner Spalding (Jones) moved to approve the consent agenda (five items). Motion carried 5-0.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL CASINO & RESORT
(E.1.a.)

Ryan Deutsch, Assistant General Manager, reported:

- July 2022 revenue numbers compared to July 2021:
 - Total gaming revenue up 5.77%
 - Total slot revenue up 4.13%
 - Table games revenue up 21.26%
- Events and Promotions:
 - Weekly Kiosk Games
 - Weekly Food and Beverage Specials
 - Gift Promotions
 - Dodge City Days Ranger Giveaways
 - Money Multiplier
 - VIP Promotions
 - Labor Day Specials and Promotions
- Upcoming Entertainment & Events
 - Jon Pardi (Dodge City Days Concert) – July 30
 - Jo Dee Messina – September 16
 - Amanda Miguel & Ana Victoria – October 14
 - Los Angeles Azules – October 23

- Jake Owen – November 5
- Gloria Trevi – November 6
- Since July 22nd, there have been 8 positive cases of COVID-19

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, Vice President and General Manager, reported:

- Admissions down 12.8% compared to July 2021
- July 2022 revenue numbers compared to July 2021:
 - Total gross gaming revenue down 0.6%
 - Slot coin-in down 7.5%
 - Slot hold flat to July 2021
 - Table games drop up 13.4%
 - Table games hold up 5.4 pts
- Past Events and Promotions:
 - Blackstone Grill Give Away – July 30, 2022
 - Ted Nugent – August 5, 2022
- Upcoming Events and Promotions:
 - Brantley Gilbert – September 2, 2022
 - Oak Ridge Boys – September 23, 2022
 - Third Eye Blind – October 22, 2022
 - National Final Steer Roping – November 4-5, 2022
 - Farm Expo Trade Show – December 1-3, 2022
- Since July 22nd, there have been 2 positive cases of COVID-19

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

Rick Skinner, Vice President & General Manager, reported:

- Admissions were down 4.7% compared to July 2021
- July 2022 revenue numbers compared to July 2021:
 - Total gross gaming revenue increase 2.9%
 - Slot revenue up 1.4%
 - Table games revenue up 20.5%
- Recent/Upcoming Events and Promotions:
 - July 30 – Winners Party
 - August 1 – Crazy K9s Table Games Giveaway
 - August 4 – Take It or Leave It
 - August 6 – 10 Year \$200K Drawing
 - August 13 – Free Gas for a Year
 - August 27 – mychoice madness
 - September 9 – Hollywood Casino 400 Drawing
 - September 11 – Hollywood Casino 400 NASCAR race
- Since July 22nd, there have been 4 positive cases of COVID-19

LOTTERY GAMING
FACILITY

Jeff McKain, General Manager, reported:

- Admissions up 9.4% compared to July 2021

REPORTS/ITEMS; KANSAS
CROSSING CASINO
(E.4.a.)

- July 2022 revenue numbers compared to July 2021:
 - Coin in up 8.6%
 - Table games drop up 7.9%
 - Net gaming revenue up 11.1%
- Events and Promotions:
 - July
 - Retail promotions of Monday July 4th.
 - Kiosk Multiplier games every Tuesday.
 - Camp 49 Hot promotional specials every Wednesday.
 - Casino Hot Seats every Thursday.
 - Table Game Smash and Grab promotion every Friday.
 - Summertime Spins promotion every Friday.
 - Scott McCreery outdoor concert Friday the 29th.
 - Casino gift day every Saturday.
 - Card Shark promotion every Saturday.
 - Cash is King promotion Saturday the 30th.
 - August
 - Kiosk Multiplier games every Tuesday
 - Camp 49 Hot promotional specials every Wednesday
 - Casino Hot Seats every Thursday
 - Outside concert on Thursday the 19th featuring Kansas
 - Fast Cash promotion Friday 5th, 12th, and 19th
 - Cash is King promotion Friday the 26th
 - Casino gift day every Saturday
 - Additional gift day on Sunday 28th
- Since July 22nd, there has been 1 positive cases of COVID-19

COMMISSION ITEMS –
OLD BUSINESS
(F.)

Director of Sports Wagering, Todd Allen, presented the proposed temporary sports wagering regulations. Commissioners asked questions and made needed changes during the presentation.

COMMISSION ITEMS –
NEW BUSINESS
(G.)

There was no new business

PUBLIC COMMENTS
(H.)

Dave Rice, Hollywood Casino, thanked the commission for the opportunity to work with them.

Rick Skinner, Vice President & General Manager of Hollywood Casino, came forward to discuss proposed regulation 112-205-4. Mr. Skinner explained that there are circumstances that require facility managers to

have the ability to change the rules of a tournament or event and gave several examples.

MOTION, APPROVE
TEMPORARY SPORTS
WAGERING
REGULATIONS
(I.)

Commissioner Jones (Turnquist) moved to approve the temporary draft sports wagering regulations presented to the commission this morning with amendments approved today by commissioners. Staff is authorized to format and choose verbiage that conveys the intended meaning of the commissioners' amendments. Motion passed 5-0.

STAFF REPORTS
(J.1. and J.2.)

Garrett Rogers, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of July 2022.

Todd Allen, Director of Sports Wagering, reported:

- There was no additional information from what was shared in Old Business.

Executive Director Brownlee reported:

- KRGC staff appreciates both Rick Skinner and Jeff Babinski's efforts and thank them for their time.
- KRGC pledges to work with operators to make sure that sports wagering is successful.
- Responsibilities for Sports Wagering lay with both KRGC and the Kansas Lottery. The first step to establishing sports wagering is the creation of contracts between the Lottery and the facility managers. The contracts are nearly complete but are not yet signed.
- Six platform companies have contracted with a state-owned casino to facilitate sports wagering.
- Thirteen third-party vendors have been identified as working with the platforms, and background checks are currently being done for these vendors.
- Lottery has given approval to platform companies to run sports wagering advertisements in Kansas prior to the actual start date.
- The October commission meeting was rescheduled from October 14th to October 7th. The meeting location is to be determined.

MOTION, EXECUTIVE
SESSION; CONFIDENTIAL
BACKGROUND REPORTS
(K.1.)

Commissioner Spalding (Kultala) moved that the Commission go into executive session for the purpose of reviewing confidential background reports presented today by the commission's security division. In addition to the commissioners, the confidential background reports portion

included the executive director, general counsel, and director of security. The total time for the executive session was anticipated to be twelve (12) minutes until 12:10 p.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 5-0, and the meeting was adjourned to executive session at 11:57 a.m.

RECONVENE
(K.2.)

The commission meeting returned to open session at 12:10 p.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, Commissioner Kultala, and Commissioner Spalding present.

MOTION, EXECUTIVE
SESSION; ATTORNEY-
CLIENT PRIVILEGE
(K.3.)

Commissioner Kultala (Jones) moved that the Commission go into executive session for the purpose of consulting with the agency's attorney on attorney-client privileged communications. In addition to the commissioners, the attorney-client privileged communications will include the executive director and general counsel. After discussion, the total time for the executive session was anticipated to be forty-five (45) minutes until 12:55 p.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 5-0, and the meeting was adjourned to executive session at 12:10 p.m.

RECONVENE
(K.4.)

The commission meeting returned to open session at 12:57 p.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, Commissioner Kultala, and Commissioner Spalding present. Chairman Moses noted that the executive session did end at 12:55 p.m., but logistical hurdles delayed the return to open session.

MOTIONS ON LICENSE
APPLICATIONS
(L.1.)

Commissioner Turnquist (Spalding) moved to *deny one* license application, and *approve the remaining 153* license applications from the July 22, 2022, list of background reports referred to the commission for action. The motion carried 5-0.

OTHER BUSINESS

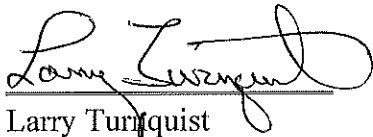
There were no other items for discussion or motion.

ADJOURNMENT
(M.)

Chairman Moses stated that the September 09, 2022 commission meeting will begin at 10:00 a.m. for an in-person meeting at the Shawnee County Public Library in Topeka, Kansas.

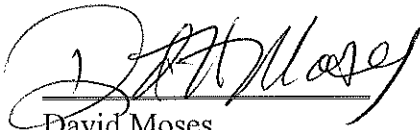
Commissioner Jones (Turnquist) moved to adjourn the meeting. Motion passed 5-0. The meeting was adjourned at 12:59 p.m.

SUBMITTED BY:

A handwritten signature in cursive script, appearing to read "Larry Turnquist", written over a horizontal line.

Larry Turnquist
Secretary

APPROVED BY:

A handwritten signature in cursive script, appearing to read "David Moses", written over a horizontal line.

David Moses
Chairman